



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

Bill Brancard
Director
Mining and Minerals Division

August 22, 2007

Larry Bush
United Nuclear Corporation
UNC Holdings 2
P.O. Box 3077
Gallup, NM 87305

**RE: Response to United Nuclear Corporation Letter Dated July 10, 2007, Concerning ,
Prior Reclamation Sites, Anne-Lee Mine, John-Bill Mine, and Sandstone Mine, MK027PR,
MK028PR, and MK029PR**

Dear Mr. Bush:

Thank you for your, July 10, 2007 letter, responding to the Mining and Minerals Division's (MMD) letter, dated June 15, 2007. Your letter addressed the prior reclamation status of the three mines identified above.

Your letter indicates that the Sandstone Mine was already released by MMD. You attached a letter dated May 25, 1999, indicating that MMD did identify the Sandstone Mine, as eligible for prior reclamation release. MMD agrees with this finding and appreciates your review of our files to locate this document.

We would like to follow-up on your invitation to inspect the John Bill and Anne-Lee mine sites to determine their condition and status. MMD will be contacting you directly to set up inspection dates for these two sites.

MMD will refrain from filing its dismissal motion, before the Mining Commission, pending the opportunity to inspect the two sites for compliance under the New Mexico Mining Act.

RE: Response to United Nuclear Corporation Letter Dated July 10, 2007, Concerning , Prior Reclamation Sites, Anne-Lee Mine, John-Bill Mine, and Sandstone Mine, MK027PR, MK028PR, and MK029PR

August 22, 2007

Page 2

Please feel free to call me at 505-476-3437, if you wish to discuss this matter further.

Sincerely,



Holland Shepherd
Program Manager
Mining Act Reclamation program

Attachments

cc: Karen Garcia, Chief, Mine Reclamation Bureau
Roy Blickwedel, Remedial Project Manager, General Electric
Prior Reclamation Site Files Nos: MK026PR, MK027PR, and MK028PR
Bill Olson, GWQB/NMED